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DECONTROL ARGENTINA

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I. STATEMENT OF PROBLEM

Argentina claims sovereignty over the Falkland Islands (Islas Malvinas), which are inhabited by settlers of British ancestry and are presently administered as a British colony. The islanders oppose any plans for Argentine rule, but the British realize that economic development of the islands will necessarily entail cooperation with Argentina. The dispute over the islands' future is complicated by the possibility of vast oil reserves in the Falkland Island Shelf. Negotiations between the two governments held in July were unproductive; a future round was scheduled for November. (When talking with the Argentines, the islands should always be referred to as Malvinas.)

II. FOREIGN GOVERNMENT POSITION

Argentina has been disputing British possession of the Falkland Island (Islas Malvinas) since 1833. This is an emotional issue for the Argentines.

III. OUR POSITION

The United States maintains a position of strict neutrality between Britain and Argentina in this matter.

IV. SUGGESTED TALKING POINTS

-- We are pleased that the UK and Argentina are seeking to resolve their differences by negotiation.

-- It has been and continues to be our policy not to take sides in disputes between two friendly nations.

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BOX 4855